

FISHER GETTING AT THE FACTS

SWANZY IS QUESTIONED

(Continued from Page 1)
James W. Pratt, F. L. Waldron, A. W. Carter, D. L. Withington, Ex-Gov. George R. Carter, Charles K. Nottley, Wm. Savidge, Judge A. A. Wilder, E. E. Paxton, A. W. Bottomley, Judge Sanford B. Dole, Deputy City Attorney Milverton, E. D. Tenney, C. G. Bartlett, A. S. Castle, R. H. Trent, W. R. Farrington, L. L. McCandless, Albert Waterson.

STORY OF FIRST DAY'S HEARING TOLD IN DETAIL

Mr. Fisher in opening the hearing dwelt briefly on the purpose of his visit.

"I have come here at the request of the governor and the delegate to congress and the president of the United States to learn at first hand what I can of the conditions of the islands and the appointment of the governor."

He said that part of the delay in reappointing the governor has been due to the protest of the delegate. No charges of improper conduct are alleged, Mr. Fisher explained, expressing his gratification at this.

"I have requested the delegate to put in specific form the definite instances on which his protest is based," said Mr. Fisher, and referred also to the governor's formal reply and supplementary documents also filed with him. He instanced Mr. Kinney's brief filed for the delegate last February 6. He quoted most of the following from the delegate's charges as the basis for discussion and referred to the assertions from time to time during the morning.

Four years more of Governor Frear's administration produce no better results than the last four years. Hawaii is likely to drift into conditions where public degradation, from the status of a Territory to one where self-rule, even in purely local matters, is denied her people, may become a live national issue.

"I charge that the domination of Hawaii by the sugar plantations, which are in turn directly controlled by the sugar agencies in Honolulu, has been progressing and extending throughout the Governor's administration, and this fact has been winked at, certainly not challenged, by Governor Frear; and in this respect, his public utterances and written reports in reference to industrial conditions in Hawaii, claiming satisfactory progress in the development of this Territory are misleading and offer cogent proof in this, that the Governor either cannot see or refuses to see that while there is great, in fact, too much wealth concentrated and concentrated in the industrial corporations of Hawaii, and in the hands of a few men that control them, the population at large is never relatively shorter in its supply of independent land and home-owning citizens."

"The vital trouble is that the people who control the industrial life of Hawaii have become so blinded by long continued prosperity and the habit of controlling everything from their own standpoint that they, themselves, do not realize how deadly that policy is to the ultimate welfare of the Territory, determined as it finally will be by the character and standing of its people's whole."

"Governor Frear is a party (conceded a very respectable party) to this system, and in the final analysis and at heart is in sympathy with its perpetuation. He would like to have many small independent homes, but is not sufficiently in earnest about it to cut loose from the old policies and perquisites and to leave the industrial system of Hawaii to reform itself so that small homes and holdings may become a beneficiary and necessary part of that system, as it does in the industrial life of every well-ordered State. This task is conceded by me to be a very delicate and difficult one at best, but that every fact makes it all the more important that no half-hearted pilot should be at the helm."

"I do not intend to attack the sugar industry; it keeps the Territory up in every direction and a decisive blow to the sugar plantations would bring dire confusion in all directions, and to all classes; rather would I see a large part of the revenues from sugar utilized in a sincere, well-sustained and intelligent effort to develop small holdings throughout the country."

He referred to the rejoinder filed on March 12, 1912, by the delegate in reply to the Governor's reply, saying: "I am not certain whether or not the Governor has been supplied with this reply," said Mr. Fisher.

"I have not," said Governor Frear. Mr. Fisher asked the delegate if he had a copy and Kuhio said he had not. "I think the Governor should have a copy," said Mr. Fisher and thereupon passed his own copy over to Governor Frear.

Secretary Fisher then took up the delegate's charges more in detail, reading about the delegate's charge that Governor Frear is a party to "domination of the sugar interests" even if an unwilling party.

Commenting on this, Mr. Fisher said the statements raise the fundamental questions as to what can be done by the executive and what has been done by him, entirely irrespective of the personality of that executive.

Mr. Fisher said his desire now is to get light on these points, so as to be guided in recommendation as to future action on the governorship.

Mr. Fisher said he had been told that the dominance of the sugar interests here might prevent persons from making statements at a public hearing.

"I am unwilling," said Mr. Fisher, "to receive from any person at any time any information which that person does not wish to leave to my dis-

cretion either in its use or in revealing its source. I will recognize this just as far as I can." He declared that statements made in the open should be given more weight than those made in private or anonymously.

He said he did not know just how long the hearings might last. He said he wished the hearings to be as informal as is consistent with orderly procedure, and wanted them to be effective and speedy as possible.

"This is a public hearing," emphasized Mr. Fisher, "and the public is welcome." He asked the general public to attend the hearings from day to day.

Mr. Fisher then opened the hearing by asking Kuhio to say anything he wished to, as the initiative rested with him. Kuhio, however, said he would rather have his attorney speak for him, and as Mr. Ashford was ill, Kuhio said he would prefer to leave his statement for Mr. Ashford to make.

Kuhio declined to make any statement when called upon by the Secretary. Governor Frear, called upon, said:

"I have nothing to say at the present time. Charges have been made against me. I prefer they should repeat those before I speak."

Kuhio, asked for a statement of what he thought should be the administrative policy of the Territory, answered: "I am not prepared."

Fisher read part of Kuhio's charges, and asked, "Are you willing to make a fuller statement on this subject?"

Fisher: "One of your questions is sea transportation as well as land. Are you any more able to make a suggestion on transportation now than when you made this statement?"

"Yes, I am, but prefer to leave that to my attorney to state."

Fisher then mentioned a statement of Kuhio on homesteading which he said was not quite clear to him.

"If I remember, you approved stimulating immigration from the mainland but no prejudice against development of local homesteading. I'd like your full views."

"My attorney will state my full case."

Kuhio declined to answer further questioning, and the Secretary said he appreciated the situation.

Fisher: "I am told some of the men I've summoned state they have to leave the islands in a few days. Mr. Carter, I believe, is one of these."

Mr. Carter was called for, but was not present.

Mr. Tenney, Mr. Hackfeld and others were called for. Mr. Tenney was found present.

F. M. Swanzy, present, was asked: "What do you think any governor of these islands could do and ought to do, so that we might find a proper one?"

"I don't think you'd find one on this earth," Swanzy said, after expressing profound preference for Governor Frear. He said that the land question is the great question here. "The homesteading question we have always with us," he said. "There are all kinds of land here; irrigating is the great problem. Homesteading is largely held back by nature, because of the great cost of furnishing irrigation."

"My personal opinion," said Mr. Swanzy, "is that the homesteading theory is very well in theory, but very different in practice. He spoke of the difficulty of handling unirrigated lands on a small scale as a rock in the path of the homesteader. Sugar, pineapples, coffee and rice, in the order named, he said, are the principal products of the Territory. He told of the contract planters, explaining the system."

That work in connection with sugar cane is work that white men will not tackle, he declared, and said that was true without exception. In this country white people will not do the work because it is too severe, he said. They would direct operations. They prefer, if they want to farm, to go to the Coast.

"The work of planting cane and raising for a mill is not work in which white men will engage," he declared.

"Do you make that statement without any exception?" asked Mr. Fisher.

"Without any exception," said Mr. Swanzy. "The reason is perfectly obvious. If a man is a farmer, a real farmer, he prefers to stay in a country where he can do the work all the year. Down here, the white men will direct operations, but they will not do the work themselves."

Mr. Swanzy said the policy on the government lands was a serious question. Asked as to his personal views, Mr. Swanzy said he thought the government ought to hold lands for leasing and thus derive an income.

He said he thought the homesteading policy of the government is not the best, but approved of the leasing system, where the government might have a steady and large income.

Asked about the transportation question, he said he could not see that the Governor had any more to do with inter-island freight rates than the President of the United States has to do with the Oakland ferry.

"If I had thought that it was within the power of the Governor to induce the Inter-Island Steam Navigation Co. to lower its rates on sugar, I should have long since sought its aid."

A general laugh was created when Mr. Swanzy, asked as to the Inter-Island Navigation and its stock-holdings, said: "There are no secrets in this country," and Mr. Fisher, smiling broadly, replied: "There are no secrets to those who know the facts."

Mr. Swanzy, when asked directly as to his opinion of the inter-island service, said he believed it adequate. He said he thought the main difficulty in dock facilities is physical, not financial. He said he had never heard of complaints of discriminating in the use of docking facilities and he did not believe there were any.

He said he thought that in the main the rates were reasonable, though complaints had come from some farming districts. He said he did not be-

lieve public utilities commission handling of rates would be necessary. Mr. Fisher then returned to the land question stating that he had been told that artificial protection afforded sugar had resulted in some lands not best adapted for sugar raising being used for cane. Mr. Swanzy said that undoubtedly the price of sugar partly due to the tariff made it possible for some lands to be cultivated for cane that would not otherwise be thus utilized.

He admitted that tariff probably encouraged small sugar raisers. No sugar is raised here, he declared, without great expenditure in irrigation, fertilizer and culture.

Lands vary from 80 tons to 20 tons per acre, he testified. The amount of labor does not increase in proportion to increase in yield. There are no irrigated sugar lands of much value. Unirrigated land might produce 40 to 50 tons per acre, he finally admitted. It would vary from 20 to fifty tons per acre.

He said he couldn't state exactly difference in amount of labor required for best and for poorest.

"To the comparative cost on poorest non-irrigated as much as one-half the cost of best non-irrigated lands?" Swanzy said he was not in a position to answer definitely but promised to produce statistics that might answer question.

"Suppose that Bristow's bill, had passed Congress and become law, how would it affect sugar lands here?"

Swanzy said he thought the majority of plantations would continue raising cane.

"Would 20-ton cane land continue to give profit?"

"That is a little doubtful," Swanzy admitted. He said most of the land taken up for pineapple raising is quite dry, that much of it is too dry for sugar cane.

He declined to say whether those lands that would be driven out of sugar industry by reduction of sugar tariff might profitably take up pineapple raising.

Fisher read a letter from a homesteader who stated he was the only white homesteader doing his own work on the land. He stated that he was one of 40—the others, he said, hired labor, and depended on large plantations to furnish labor and buy the cane.

Swanzy said he knew of others on Waialeale—doing their own work. He then explained the general system of handling crops on the homesteads, showing how the larger plantations aid the smaller ones. He said about all the tenant does is to care for crop for 2 years. The planting and harvesting is handled by the larger plantations, he stated.

He said the Portuguese are very poor community workers. Where land is assigned to Portuguese by plantations the tracts are usually about 10 acres each, averaging crops of 40 tons per acre.

Fisher came right back to the main point of the inquiry, after this long series of detailed questioning, by stating that one of the charges raised is that individuals cannot get large enough tracts of land to cultivate, to make a fair living.

Mr. Swanzy was asked if the small contract system, generally applied to the islands, would be beneficial. Mr. Swanzy said that already the great bulk, perhaps 80 per cent, of the cane is now raised that way, and that the Japanese do most of it. He said it is a sincere community system and not a kang system, and that the workers have a real interest in their production.

He was asked then if there were any places on the island where men raise the cane themselves on a small scale. "As a rule, the homesteader does not raise the cane himself, but arranges to have Japanese or some other labor raise it for him."

Mr. Swanzy suggested that Secretary Fisher formulate a list of questions on the conditions of sugar raising, and specific replies would be made to them. Secretary Fisher answered that he will be glad to do a little later, and that he desires to ask the introductory questions "man to man" and secure all the knowledge possible as to small cane holdings.

Mr. Swanzy suggested that at Laupahoehoe there was government land held in small parcels. He told of various attempts to homestead and cultivate lands in this district. Some pieces of land are idle, he said.

"How far do you think it would be a benefit to have these lands cut up and pass into ownership of whites, who leased the lands to workers?"

Fisher inquired. Swanzy said he thought it would be a great benefit. Gov. Frear was asked about how much land fit to be cultivated is in the islands.

"About 35,000 in cane and no one knows how many otherwise; say about 250,000 acres, including cane lands," he said.

The Governor said some homesteaders can live on less than others. He said some can live on ten or fifteen acres and others need 40 or 50 acres. He told of one American who told him a few days ago that intensive farming is needed here, and that only a few acres is needed per man.

Governor Frear, in response to a question, estimated ten acres as the largest amount of pineapple land one man could personally handle.

He thought, however, that an American settler should have from thirty to fifty acres to homestead, and that he would require some help, perhaps employing four or five laborers.

Frear said that within eight years there ought to be 15,000 acres opened for homesteading and available for pineapple-raising.

Joshua Tucker testified that he knew about fifteen homesteaders on Kauai who are making a good living on tracts of ten to fifteen acres per family.

Mr. Fisher then turned to Mr. Swanzy again and asked him if on the basis of what had been brought out, he thought it would be a good thing to have say 5,000 men with small holdings of land. Mr. Swanzy said he thought it would be a good thing. Mr. Fisher's questions then went more



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into detail, asking Mr. Swanzy if 35,000 acres of cane lands now government-owned were to be broken up into small holdings, would this be a good thing for the islands.

Mr. Swanzy pointed out that the small holdings would be without water, and it would be a question whether the small holder could get water from surrounding plantations. Mr. Swanzy expressed an opinion that the scheme would be desirable if practicable, but doubted its practicability. The only advantage he could see would be almost entirely one of population.

Swanzy said it would not be a practical scheme, but it would of course bring in 3500 more people. It would cost them far more to raise the same amount as now raised on the same land. The only advantage would be the increased population, he admitted.

"Would it be a public advantage?" Fisher asked, "as compared to the present system?"

Swanzy rather backed away from a direct answer, asking for a more definite statement of the problem. He said he did not think the white man would work the cane land himself.

Fisher called on the Governor again. "Will the white man work the cane himself?" he asked.

The Governor said they likely would prefer to raise other crops if they were compelled to do their own work. Swanzy further explained the workings of the leasing system.

Fisher then said that apparently it means that the laborer contracts merely to cultivate the crop, to be paid according to the amount of cane grown on the tract assigned to him.

Swanzy, asked if he could see any economic advantage in cultivation by small owner under homesteading system, answered in the negative, but added that a certain amount of homesteading is good for the country.

He said he did not think the small owner would be deterred by the fact that he must sell his product to the refinery owned by the big neighboring plantation. He stoutly declared the grower could get from the refiner what it is worth to the refiner. If it is of good quality he can get good prices, of course.

"Suppose the refiner says 'We must have profit,' who is to decide what is the proper price to pay the grower?"

"I don't know," was Swanzy's reply. He added that he thought the grower could get a contract that would suit him for 20 years ahead, providing for market fluctuations and grades of cane.

"He can get a price which fluctuates in accordance with the fluctuations of the New York market."

"Do you think the big planter or refiner would make such a contract?"

"Yes," he said he knew such contracts had been made, but couldn't name any such off hand.

Fisher expressed a desire to learn of all instances possible where small owners are cultivating sugar crops.

Secretary Fisher said he hoped this session would give a general idea of the line of investigation he desired to make, and the kind of questions he will ask. He asked Governor Frear and Kuhio for further suggestions. The Governor said he had none at the moment. The Delegate replied that he desired to submit the names of a number of persons whom he would like to have summoned to testify, and was requested to hand the names to Secretary Fisher at the earliest possible moment.

Wants Statistics on Small Farming. Fisher placed emphasis on his desire to obtain statistics showing the number of small land owner, or homesteaders in the islands, the average, the maximum and minimum acreages farmed by these, the general methods, and the success of the different systems employed, in handling sugar cane, pineapple and other crops. The Governor said that when he took office he found a record of about 2,000 homesteads. He said he had proceeded to gather figures of all homesteads in the Territory, and that he now has a tabulation that is fairly complete. He was asked to furnish the statistics Fisher asked, from the figures he has on hand concerning the homesteadings.

The session then adjourned.

SUGAR

SAN FRANCISCO, Sept. 7.—Beets: 89 analysis 12s. 2d. Parity, 4.57 cents. Previous quotation, 11s 11d.

Clarence Darrow gave the principal address of the day at the Uni-Labor celebration in San Francisco.

Englishmen are sending over \$100,000 to bet that the English polo team will win the international cup next year from the Americans.

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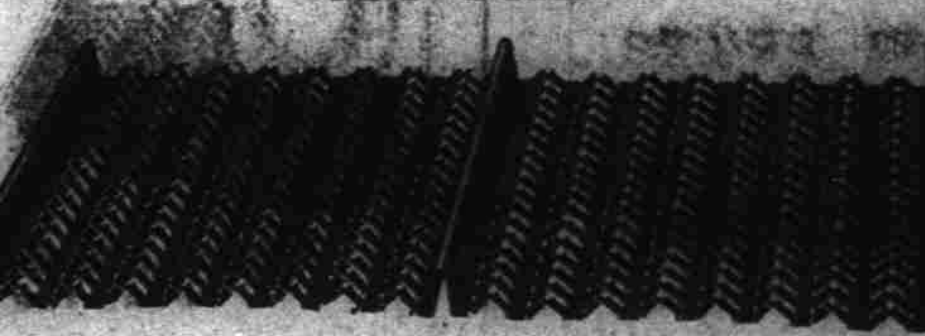
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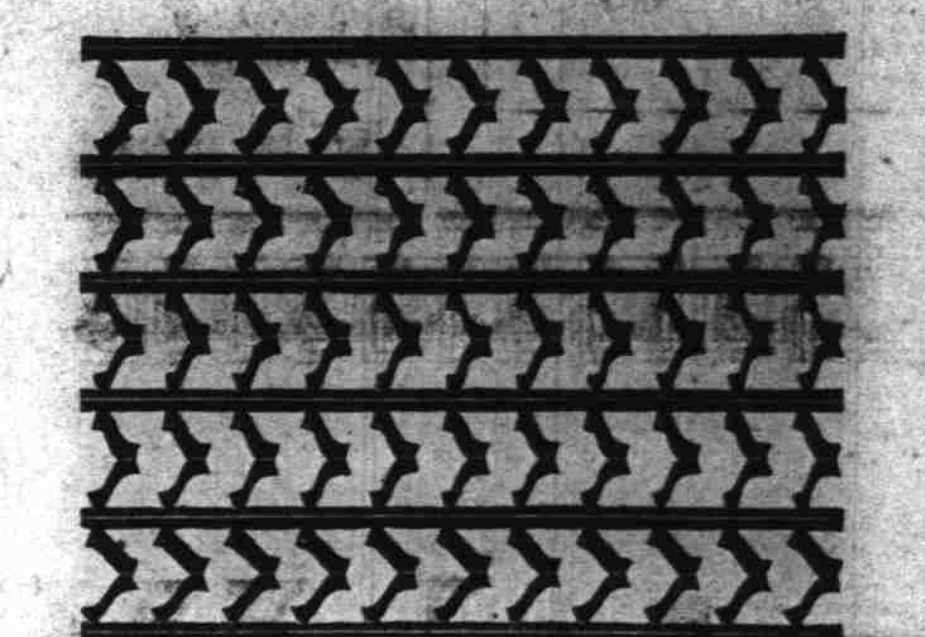
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H. E. MCINTYRE CALLED BY DEATH

Pioneer Merchant Succumbs to Stroke of Paralysis—Funeral Today

Hugh E. McIntyre, pioneer business man of Honolulu and president of Henry May & Co., died yesterday afternoon at a quarter of three o'clock at his home on Beretania avenue, death being due to a stroke

of paralysis last Saturday.

The funeral will take place at three o'clock this afternoon from the residence, interment to be in the Nuanu cemetery. Rev. Parker of Kawaiahaeo Church will officiate and the pallbearers will be relatives, including J. S. Walker, H. H. Walker, S. E. Walker, F. H. Armstrong, E. F. Bishop and F. W. Kiehn.

business with his father. In 1887 he organized the firm of H. E. McIntyre & Brother, dealing largely in California products and all kinds of provisions and feed, the store being located at the corner of Fort and King. The firm merged with that of Henry May & Co. a few years ago, McIntyre becoming president.

Artists have resented Taft's invitation to compete in designing the medal to be presented to Captain Raton of the Carpathia, because they feel that such a competition is commercializing their work. No responses have been received to the invitation. British territory at Hongkong was invaded by a party of Chinese bandits. They seized arms and money after gagging some Europeans.